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Via Email: govops@ncleg.net

Joint Committee on North Carolina Board Assembly
Government Operations

Re: Consultation on Fee Change
State Board of Examiners of Electrical Contractors

Gentlemen:

Pursuant to G.S. 12-3.1, I write to request consultation regarding a proposed fee increase.

Pursuant to legislation passed in 2019, the Board is engaged in rulemaking to address regulatory changes regarding electricians in schools, recognition of apprenticeships and training experiences, changes in the requirements for denial of a license to include additional factors beyond those listed in the current rule. In addition, to keep up with the cost of living increases the Board is proposing to increase project value limits while simultaneously proposed increases to annual licensure fees. The Board has proposed:

21NCAC18B .0212 is proposed for adoption as follows:

21 NCAC 18B .0212 APPRENTICE TRAINING

Applicants for examination or license based upon apprentice training pursuant to G.S. 93B-8.6 shall receive credit for such apprenticeship experience consistent with all applicants as set forth in Rule 21 NCAC 18B. 202(b)(1) or 21 NCAC 18B .0202(b)(2).

Authority G.S. 87-42; 87-44; 93B-3; 93B-8.6.

21 NCAC 18B .0303 ELECTRICAL INSTALLATION: PROJECT: PROJECT VALUE-LIMITATION

is proposed for amendment as follows:

21 NCAC 18B .0303 ELECTRICAL INSTALLATION: PROJECT: PROJECT VALUE-LIMITATION

For the purpose of implementing G.S. 87-43.3 pertaining to the limited and intermediate electrical contracting license classifications, the following provisions shall apply:

- (1) Electrical Installation. Electrical work is construed to be an electrical installation when the work is made or is to be made:
 - (a) in or on a new building or structure;
 - (b) in or on an addition to an existing building or structure;
 - (c) in or on an existing building or structure, including electrical work in connection with lighting or power rewiring or with the addition or replacement of machines, equipment or fixtures; or
 - (d) in an area outside of buildings or structures, either overhead or underground or both.
- (2) Project. An electrical installation is construed to be a separate electrical contracting project if all the following conditions are met:
 - (a) the installation is, or will be, separate and independently supplied by a separate service, feeder, or feeder system;
 - (b) the installation is for:
 - (i) an individual building or structure which is separated from other buildings or structures by a lot line or, if located on the same lot with other buildings or structures, is physically separated from such other buildings or structures by an open space or an area separation fire wall;
 - (ii) an individual townhouse single-family dwelling unit constructed in a series or group of attached units with property lines separating such units;
 - (iii) an individual tenant space in a mall-type shopping center;
 - (iv) an addition to an existing building or structure;

- (v) an existing building or structure, including electrical work in connection with lighting or power rewiring or with the addition or replacement of machines, equipment, or fixtures; or
- (vi) an outdoor area either overhead or underground or both;
- (c) the negotiations or bidding procedures for the installation are carried out in a manner totally separate and apart from the negotiations or bidding procedures of any other electrical installation or part thereof;
- (d) except for additions, alterations, repairs, or changes to a pre-existing electrical installation, no electrical interconnection or relationship exists between the installation and any other electrical installation or part thereof; and
- (e) a separate permit is required to be obtained for each individual building structure or outdoor area involved from the governmental agency having jurisdiction.

If a question is raised by a party at interest or if requested by the Board or Board's staff for any reason, the owner or the awarding authority or an agent of either shall furnish to the Board, and to the inspections department having jurisdiction, a sworn affidavit confirming that the conditions set forth in Sub-Items (2)(a) through (e) of this Rule are satisfied or the project will be treated as a single project.

- (3) Relationship of Plans and Specifications to Definition of Project. Even though the electrical work may not fully comply with each condition set out in Item (2) of this Rule, the entire electrical work, wiring, devices, appliances or equipment covered by one set of plans or specifications shall be construed as a single electrical contracting project by the Board.
- (4) Project Value Limitation. In determining the value of a given electrical contracting project, the total known or reasonable estimated costs as determined by the Board of all electrical wiring materials, equipment, fixtures, devices, and installation shall be included in arriving at this value, regardless whether a third party such as an owner or general contractor furnishes all or part of same, and regardless of the form or type of contract or subcontract involved.
 - (a) if the total cost of the wiring, materials, etc., including that furnished by others, plus the total cost of the installation involved, will be more than ~~forty~~fifty thousand dollars (~~\$50,000~~)(\$60,000) but not more than one hundred ~~thirty~~fifty thousand dollars

~~(\$130,000), (\$150,000),~~ then only an electrical contractor holding either an intermediate or unlimited license shall be eligible to submit a proposal or engage in the project.

- (b) if the total cost of the wiring, materials, etc., including that furnished by others, plus the total cost of the installation involved, will exceed one hundred ~~thirty~~thirty-five thousand dollars ~~(\$130,000), (\$150,000),~~ then only an electrical contractor holding an unlimited license shall be eligible to submit a proposal or engage in the project.

If a given electrical contracting project is subdivided into two or more contracts or subcontracts for any reason, then the total value of the combined contracts or subcontracts that may be awarded to or accepted by any one licensee of the Board must be within the total project value in accordance with this Rule.

The Board's staff shall make a determination of what constitutes a project in any given situation, and any party at interest may appeal any staff determination to the Board for a final binding decision.

21 NCAC 18B .0404 **ANNUAL LICENSE FEES** is proposed for amendment as follows:

21 NCAC 18B .0404 **ANNUAL LICENSE FEES**

- (a) The fee for issuance of license, reissuance of license, or license renewal in the various license classifications shall be as follows:

LICENSE FEE SCHEDULE

CLASSIFICATION	LICENSE FEE
Limited	\$ 85.00
<u>Limited</u>	<u>\$ 95.00</u>
Intermediate	\$130.00
<u>Intermediate</u>	<u>\$140.00</u>
Unlimited	\$180.00
<u>Unlimited</u>	<u>\$190.00</u>
SP-SFD	\$ 85.00
<u>SP-SFD</u>	<u>\$ 95.00</u>
Special Restricted	\$ 85.00
<u>Special Restricted</u>	<u>\$ 95.00</u>

(b) License fees shall be made payable to the Board. Payment shall accompany any license or license renewal application filed with the Board.

History Note: Authority G.S. 87-42; 87-44;

Eff. October 1, 1988;

Amended Eff. May 1, 1998; July 1, 1989;

Temporary Amendment Eff. June 30, 2000;

Temporary Amendment Eff. August 31, 2001;

Amended Eff. July 1, 2015; January 1, 2008; December 4, 2002;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. February 2, 2016;

Amended Eff. October 1, 2017.

History Note: Authority G.S. 87-42; 87-43; 87-43.3;

Eff. October 1, 1988;

Amended Eff. September 1, 2014; January 1, 2008; February 1, 1996; February 1, 1990;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. February 2, 2016.

NCAC 18B .0408 is proposed for adoption as follows:

**21 NCAC 18B .0408 SCHOOL, HOSPITAL AND NONPROFIT ELECTRICAL CONTRACTORS AND
SEPARATE EMPLOYMENT**

Consistent with the provisions of G.S. 87-43.1(5a), the provisions of Rule 21 NCAC 18B .0402(b) and Rule 21 NCAC 18B .0403(b) do not apply to an individual who is employed full-time by a local Board of Education, Hospital or non-profit organization, while such individual is obligated to be regularly on active duty, as defined by 21 NCAC 18B .0301 at said place of employment and complies with the supervision requirements of 21 NCAC 18B .0907(c). The provisions of 21 NCAC 18B .0907, 21 NCAC 18B .0908 and 21 NCAC 18B .0909 continue to apply.

History Note: Authority G.S. 87-42; 87-44; 87-43.1(5a).

21NCAC18B .0901 is proposed for repeal, as follows:

21 NCAC 18B .0901 APPLICANTS CONVICTED OF CRIMES

History Note: Authority G.S. 87-42; 87-43.3; 87-43.4; 87-47(a1)(4);

Eff. October 1, 1988;

Amended Eff. January 1, 2010; April 1, 1995; February 1, 1990;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. February 2, 2016.

As rulemaking coordinator and counsel to the Board, I ask that you not hesitate to contact me or Tim Norman, Executive Director of the Board, with any questions.

Sincerely yours,

YOUNG MOORE AND HENDERSON, P.A.

Reed N. Fountain

By:

Reed N. Fountain

RNF/jdf

cc: Tim Norman

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